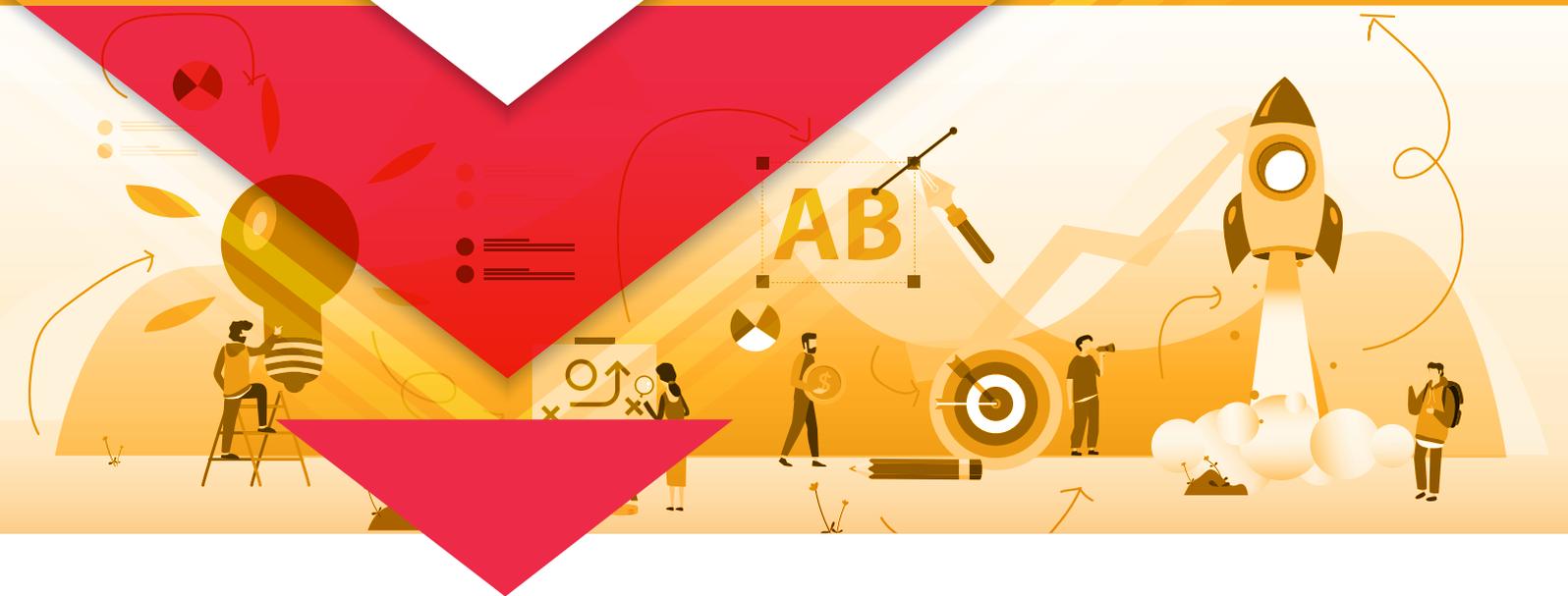




REPORT

ICAI STARTUP MANTHAN 2.0 WEEK



Theme: **Startup Trilogy - Compliance, Management & Fundraising**

Date: **8th December 2020 to 12th December 2020**

Organised by: **The Committee for Development of International Trade, Services & WTO**

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Chairman



CA. Dheeraj Kumar Khandelwal
Vice-Chairman

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Special Invitee

CA. Arun Kumar Sakhuja
CA. Sagar Hooda
CA. Kamal Puri

Secretary to the Committee: CA Monika Jain

ABOUT ICAI

The Institute of Chartered Accountants of India (ICAI) is a statutory body established under the Chartered Accountants Act, 1949 for the regulation of the profession of Chartered Accountants in India. ICAI has its headquarters in New Delhi and 5 Regional offices in Mumbai, Chennai, Kanpur, Kolkata and New Delhi. It presently has 164 branches spread all over the country. In addition, it has also set up 37 chapters and 26 Representative Offices outside India and two overseas offices in Dubai & Singapore.



STARTUP

ABOUT ICAI STARTUP MANTHAN 2.0 WEEK

ICAI Startup Manthan 2.0 Week on the theme “Startup Trilogy: Compliance, Management & Fundraising” from 8th December 2020 to 12th December 2020

ICAI under the aegis of the Committee for Development of International Trade, Services & WTO had organised a ICAI Startup Manthan 2.0 Week on “Startup Trilogy: Compliance, Management & Fundraising” a five day programme divided into ten sessions covering Startups idea, guide on Raising capital, tax benefits, cash management, corporate governance, reasons for failure, IPR, valuable and exit strategies.

This is an initiative keeping in mind the growing trend towards startups and the need to give an opportunity to upcoming young entrepreneurs to listen to experiences of some of the successful entrepreneurs and have an open discussion with them. The Indian startups have been rising mainly due to increasing aspirations of educated youth. Government initiatives like ‘Make in India’ and ‘Startup India’ are aimed at creating a conducive ecosystem for business growth and are working towards promoting ease of doing business in the country.

In this dynamic and challenging business environment, Chartered Accountants are looked upon as Complete Business Solution Providers. They are thoroughly trained practically in all avenues of Finance, Accounting, Audit and Advisory Services for all types of entities including Startups. As a partner in Nation Building, ICAI is working in partnership with Government of India in its various programmes in developing ecosystem for startups.

INAUGURAL SESSION

8th Dec, 2020 from 4.00 pm to 4.45 pm

Chief Guest



Shri. Piyush Goyal

Hon'ble Minister of Railways, Commerce, Industry & Consumer Affairs, Food & Public Distribution.

Quotes from Minister

India is set on the path of becoming self-reliant & startups are leading the way. India now houses the 3rd largest startup ecosystem in the world: Minister @PiyushGoyal at @TheICAI's Startup Manthan 2.0

I am sure, Chartered Accountants under the leadership of PM @NarendraModi ji will help bring about spirit of entrepreneurship even in our remote villages & towns: @PiyushGoyal

Our Chartered Accountants have that competitive edge when it comes to serving the startup ecosystem: @PiyushGoyal

PM @NarendraModi ji said, "Startups are the engines of exponential growth, manifesting the power of innovation."

Chartered Accountants are going to be startup entrepreneurs & also going to be service provider to new startups: @PiyushGoyal

Chartered Accountants working in Partnership with the government can ensure great successes for the people of India and the country in the years to come @PiyushGoyal

We are at the critical juncture of human history where our actions shall directly impact billions of people. Our entrepreneurs can create a golden era where our startups with their commitment, vigour & perseverance and make India a leader across all sectors: @PiyushGoyal

The fast economic recovery would not have been possible but for the huge support that Chartered Accountants' community has given: @PiyushGoyal

Martin Luther King said, "Ultimate measure of a man is not where he stands in the moments of comfort, but where he stands at times of challenge & controversy". My CA colleagues have showcased that the real power of youth is to create sustainable products & services: @PiyushGoyal

STARTUP TRILOGY COMPLIANCE, MANAGEMENT & FUNDRAISING



Welcome Address

& Overview of the Event : **CA. Hans Raj Chugh**, Chairman, Committee for Development of International Trade, Services & WTO

Special Address : **CA. Nihar N Jambusaria**, Vice- President, ICAI

Presidential Address : **CA. Atul Kumar Gupta**, President, ICAI

Concluding Remarks

& Vote of Thanks : **CA. Dheeraj K Khandelwal**, Vice Chairman, Committee for Development of International Trade Services & WTO

The Chairman of the Committee welcomed Honorable Chief Guest, Shri. Piyush Goyal ji, Minister of Commerce & Industry, Government of India, President, Vice President, ICAI, Vice Chairman of the Committee and all the members watching the inaugural session.

“ Ideas and the execution of ideas can only lead to the startup recognition & clarity in thought & sincerity in the effort is the only successful mantra to bring best for everyone ”

During the inaugural session, Shri. Piyush Goyal Ji, complimented the great role played by ICAI in making India Aatamnirbhar and congratulated ICAI for issuing the MSME Business Continuity Checklist. He said that it is another wonderful initiative by the Institute which will help handhold the MSME sector. The Minister said that this platform provided by the Institute to all the budding entrepreneurs, thinkers and businesses to share & collaborate, will empower them with ideas for innovation & business development.

He also shared insights on the changing times due to COVID and all the new ventures which came up in

the times of COVID like one startup has used Mahua to make sanitizers, 3D printed face shields and respirator valves. He appreciated the youth for standing in these tough times and also welcomed any ideas or the proposals for further developing opportunities for Startups.

Talking about the support to startups, Shri Goyal said that this includes tax benefits. “Government has created a fund of funds for Startups with an initial corpus of Rs. 10,000 crores for funding promising Startups in their early-stage funding requirement. The Government e-Market place provides an equitable opportunity to Startups to offer their Services and products to all Govt enterprises across the country.” he added.

The President appreciated the motto “Vasudhaiva Kutumbakam” which inculcates an understanding that The World is One Family and role startup plays in progression of society as a whole.

The Vice President appreciated the government efforts towards startup initiative. He said the biggest service startups can provide is generation of employment. The startups will also promote innovation & sustainable economic growth.

The Vice Chairman gave closing remarks and thanked the esteemed guests. He talked about the role of chartered accountants becoming more and more important in startup world. He also said that CA's need to come out and explore more into startup world as well.

SESSION 1

FIRESIDE CHAT- STARTUPS BEGIN WITH IDEA! SUCCESSFUL STARTUP BEGINS WITH MVP!!

8th Dec 2020 from 4:45pm to 5.45pm



- Welcome Address :** CA Hans Raj Chugh, Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks :** CA. Rajesh Kumar Sharma, Member, Committee for Development of International Trade, Services & WTO
- Panellists :** Mr. Rohith Bhat, Cofounder 99Games
Mr. Nithin Kamath, Cofounder & Director, Zerodha
- Closing remarks & Vote of Thanks :** CA. Dheeraj K Khandelwal Vice-Chairman, Committee for Development of International Trade, Services & WTO

Startup is a passion, with drive, focused on an idea. Entrepreneurs bring their ideas to life. The Session dwells upon successful start-ups in India. The speakers shared their thriving journey of reaching the heights. They talked about the fundamental principal of any business for enduring success.

“There is nothing called as best product, there is always an improvement”

KEY DELIVERABLES:

- An idea is to build your business around something you love doing; find out your strengths and competencies.
- Startups are more of identifying the problem and find the solution and make it as business.
- Uniformity, transparency, scalability are fundamental principles of any business.
- As Darwin theorized that a species that evolved faster would

have a larger footprint in time, and this is certainly true in the startup world. A product that doesn't evolve will ultimately fall behind the competition and fail in the marketplace

- Core team is like a marriage. Hire people with great attitude rather than looking for a candidate having a pedigree degree.
- Chase products, chase customer then success and money will chase you, as goddess Laxmi sits on lotus and is always floating so, you cannot chase it down, you just hope that she comes to you.
- Patience, persistence, and being strategic are the keys to long-term success.
- Success doesn't happen overnight regardless of your business.
- Chartered Accountants play an important role in start-ups. You need to manage your finances well, in order to focus on core business.

SESSION 2

GOVERNMENT ECOSYSTEMS FOR STARTUPS

8th Dec 2020 from 5:45pm to 7.00pm



- Welcome Address :** CA Hans Raj Chugh Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks :** CA. Dheeraj K Khandelwal Vice-Chairman, Committee for Development of International Trade, Services & WTO
- Panellists :** Mr. Jeet Vijayvargiya, CEO MEITY Startup Hub(MSH), Ministry of Electronics & IT
Ms. Aastha Grover, Head of Startup, Invest India
- Closing remarks :** CA. Aniket S. Talati, Member, Committee for Development of International Trade, Services & WTO
- Vote of Thanks :** CA. Dheeraj K Khandelwal, Vice-Chairman, Committee for Development of International Trade, Services & WTO

The Indian startup ecosystem has grown by leaps and bounds in the past decade due to great appetite for technology, data and the internet. The Session dwells upon ecosystem of start-ups in India. The speakers mentioned that India is top destination for foreign capital coming for startup. They shared various scheme like Technology Incubation & development of Entrepreneurs (TIDE 2.0), Centre of Excellences (CoEs) in Emerging Tech areas, Accelerator Program SASAT Scheme, Theme Based Incubation Centres and IPR Initiatives.

“Firstly as Citizens of India, secondly as Chartered Accountants with Government as Enabler, it is our collective duty to inform, educate and empower all startups on various dimensions of its ecosystem.”

KEY DELIVERABLES:

- There are about 51 Incubators, 2000+ start-ups, scheme Outlay Rs 264 cr., more than 50 workshops/ webinars.
- Fintech CoE at Chennai, LoT OpenLab at Bangalore, Electropreneur Park at Bhubaneswar, Medi-Electronics & Health Informatics CoE and many more.
- Startup to scaleup Accelerator by The GAIN, Bangalore,

scaleup programme by T-hub Foundation, Hyderabad, Bharat Virtual Accelerator by The FinTech Meetup.

- Collective efforts of centre & state to built this eco system. Discussed various states/ UTs startup policies
- National startup Awards is the new initiative to recognise outstanding startup ecosystem.
- In Japan- India startup Hub launch, focus areas are Machine learning, predictive, Face recognition and cyber security.
- Many big corporates connecting with start-ups for Innovation Scouting like Uber, Bosch, Facebook, Cipla etc
- Startup India has partnered with Leading organisation Online learning Entrepreneurial Program to aid budding entrepreneurs.
- ICAI has also signed an Memorandum of Understanding (MoU) with the Invest India. This will promote foreign investment in India by giving necessary guidance and advice to potential investors on the regulatory compliances for investment in India.
- ICAI intends to facilitate Invest India in resolving investment-related queries from both domestic and international companies.

3 LEVERAGING DIGITAL MARKETING FOR STARTUPS

9th Dec, 2020 from 3:00pm to 4.30pm



- Welcome Address** : CA. Hans Raj Chugh, Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks** : CA. Anuj Goyal, Member Committee for Development of International Trade, Services & WTO
- Moderator** : CA. Rahul Saria, Director, Fincurious Consulting
- Panelists** : CA. Siddarth Pai, Cofounder 3one4 Capital
CA. Mitesh Shah, Co-founder, IPV & CFO, BookmyShow
Ms. Khusboo Nangalia, Co founder, Beyond99
CA. Roshan Paul, Head-Digital marketing, Finplus Business Solutions LLP
- Closing Remarks** : CA. Dayaniwas Sharma, Central Council Member, ICAI
- Vote of Thanks** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade Services & WTO

This panel discussion covered aspects relating to changing scenario of digital marketing. Web and social media channel should be analyzed to understand the online presence of your startup. There is a need to change focus in respect of marketing and being chartered accountants we have to think marketing aspects keeping at par our ethics as well. It was concluded that objectives will hardly be achieved if a start-up is not able to communicate its message and value proposition to their target audience.

“ Profit & Loss is Vanity, Balance Sheet is Sanity & Cash flow is Reality ”

KEY DELIVERABLES:

- Digital Marketing is the new norm replacing the old age advertising of T.V, Bill Boards etc.
- ‘Sales per square feet’ is being replaced with ‘Experience

- per click’
- The right understanding of the business, target group is critical for startups to plan their sales and marketing strategy.
- The individual image plays a pivot role in creating a brand image today.
- Obtaining contact with new users is not an easy task, but it is vital for business growth.
- Trust, localization & personalization are keys to mind recall of brands.
- Cash burn in marketing would continue, however, the accountability for startups is strict & tightening more than ever now.
- Word of mouth, keeping lean, smaller budgets are smart ways of creating an impact with negligible costs.
- Do not treat your digital aspect as a secondary child.

4 CAN UNICORN FOUNDERS BE MADE OR ARE THEY BORN?

9th Dec, 2020 from 4:30pm to 6.00pm



- Welcome Address** : CA. Dheeraj K Khandelwal
Vice Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks** : CA. Jay Chhaira, Member, Committee for Development of International Trade, Services & WTO
- Moderator** : CA. Hardik K Shah, Founder & CEO, Tradecred
- Panelists** : Mr. Parag Shah, Co-founder, MIDAS
Mr. Manish Johari, Senior VP, Lead Angels
Mr. Varun Shridhar, CEO, Paytm Money
- Closing Remarks & Vote of Thanks** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade, Services & WTO

In this session, the panel discussed their opinions whether entrepreneurial mindset is in built or can it be developed or taught over time. The panelists had different views and panel agreed that attitudes are far more important than skill set & also skill set can be improved over time. Also that we need to respond to change by action and not reflection, don't say 'I'll think and tell you afterwards'.

“ Ideas don't have value, Implementation does ” **“ Great Entrepreneur has a Vision ”**

KEY DELIVERABLES:

- Don't be afraid of competition; compete with yourself in a way that, are you a better version of yourself than you were yesterday?
- Get help when necessary. One should not have any

- complex neither at time of helping others nor at time of asking help from others.
- Three prerequisites for an entrepreneur:
 - > Undying Hunger for your goals,
 - > Ability to question what is happening around
 - > Skillful team
- Deliver a great first experience in order to get customer retention.
- “Try & Buy” Concept, unless and until one is willing to give the customer the opportunity to try the product and use it, there is no way the product is going to succeed.
- Maximize your revenue by prioritizing repeat customers; don't look for new customers all the time. Also try to connect at an emotional level with your customers.
- Young minds can be taught entrepreneurial skills but unicorn founders are shaped by experiences.

5

SESSION

INTERNAL CORPORATE GOVERNANCE FOR STARTUPS

10th Dec, 2020 from 3:00pm to 4.30pm



- Welcome Address** : **CA. Dheeraj K Khandelwal**, Vice Chairman, Committee for Development of International Trade Services & WTO
- Opening Remarks** : **CA. (Dr.) Sanjeev Kumar Singhal**, Member, Committee for Development of International Trade, Services & WTO
- Moderator** : **CA. Pradeep Malu**, Mentor of Change, NITI Aayog
- Panelists** : **Mr. Samir Inamdar**, Cofounder & CEO Forum Synergies
Mr. Nikhil Vora, Founder and CEO, Sixth Sense Ventures
Mr. Anil Joshi, Managing Director, Unicorn India Ventures
CA. T.V. Mohan Das Pai, Cofounder Aarin Capital, Chairman Manipal Global Education Services
- Closing Remarks & Vote of Thanks** : **CA. Dheeraj K Khandelwal**, Vice Chairman, Committee for Development of International Trade Services & WTO

This session reflects upon the good corporate management strategies and various indicators on how to identify if an entity is having good corporate management practices. It was highlighted how important a good corporate governance is for any entity and how it can act as a differentiator for growth in a startup. The panel provided panorama of the different aspects of corporate governance in different ownership structures, legal traditions, cultural contexts, ground-level challenges and possible incentives for better corporate governance of startups in India and around the world.

“Good culture generates its own brand, its own Reputation”

“Compliance is not an option, it is a necessity”

KEY DELIVERABLES:

- Corporate governance is a matter of perception, and there is no fixed yard stick. But good governance definitely includes – legal and regulatory compliance, ethical business practices, good policies taking care of all the stakeholders including environment

and social aspects.

- For a startup it would be a good idea to have a functional and operational board as compared to having a high profile board, for the two reasons, – they can't give much time to the startup and their cost is sometimes prohibitive.
- “To check the governance standard in any startup, we check who the founder of the startup is and what is his/her background”. Good governance starts from there. Founder must set an example for the rest of the team. Ethics and values system of the founders are the keys for good corporate governance.
- Governance and performance are two different things. Good performance not necessary means good governance and therefore, needs to be carefully examined.
- Regulatory compliance is one of the key areas for good corporate governance in any startup/enterprise.
- Agility, Resilience, and Perseverance are the key elements of success of any startup business.

6

SESSION

INTERNAL CASH MANAGEMENT FOR STARTUPS

10th Dec, 2020 from 4:30pm to 6.00pm



- Welcome Address** : **CA. Dheeraj K Khandelwal**
Vice Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks** : **CA. Debashis Mitra**, Central Council Member, ICAI
- Moderator** : **CA. Ninad Karpe**, Partner 100x.vc
- Panelists** : **Mr. Anirudh Damani**, Managing Partner, Artha Venture Fund
CA. Biraja Jena, Chairman & Managing Director, Imperial Capital Investments LLC. UAE
CA. Ajay Mittal, Partner, Ascent Capital
- Closing Remarks** : **CA. Ranjeet Kumar Agarwal**, Member, Committee for Development of International Trade, Services & WTO
- Vote of Thanks** : **CA. Dheeraj K Khandelwal**, Vice Chairman, Committee for Development of International Trade, Services & WTO

This Session discussed about the importance of managing cash flow properly and knowing where the cash actually is. The main reason why many startups fail every year is the inability to manage cash flow well. In order to manage a startup well there are certain habits one should inculcate in their routine, the panelists discussed some of these habits. They also discussed some of their personal experiences and the techniques they use to keep their cash flow in check.

“Work on your Budget & Budget your Work”

“If you want to work for yourself, your money needs to work for you”

KEY DELIVERABLES:

- Finance is the Central Nervous System of a business.
- Cash is life blood of business and Cash is still the king and good cash management is as good as having good sales skills.
- Avoid being ultra bullish as they end up blocking money in working capital only.
- In order to get reporting right it is very important to get a right accountant & a strict Auditor.

- Do not overestimate the future, it affects cash management poorly.
- The three pillars for an effective cash management for startups:
 - > Preserving the cash,
 - > Making cash available when required,
 - > Secure confidence of Investors; avoid the risk of Investor Confidence.
- These days there are many other ways other than factoring & discounting in order to convert your invoices into cash, these third party cash flows are also very vital for success of a startup.
- An Entrepreneur has to be frugal in his mindset in a manner that money which is to be spent should only be spent and should be spent in a manner that there is no other better way in which it could have been spent.
- Make it a habit to analyse your trial balance every week, even if it's just for 20-30 minutes just to know where the cash is actually lying.
- For fund requirement also, good cash management is required as fund requirement depends on monthly burn rate of startup which can be derived by proper cash management.

7

THE ULTIMATE GUIDE TO RAISE ANGEL, VC AND PE CAPITAL FOR STARTUPS

11th Dec, 2020 from 3:00pm to 4.30pm



- Welcome Address** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade Services & WTO
- Opening Remarks** : CA. Anil Satyanarayan Bhandari, Member, Committee for Development of International Trade, Services & WTO
- Moderator** : CA. Sarvesh Agrawal, Director & CEO at Transparent Capital Partners
- Panelists** : CA. Anuj Golecha, Angel Investor, Co Founder Venture Catalysts
 CA. Satya Bansal, Co founder, BlueAshva Capital
 CA. Yagnesh Sanghrajka, CFO Founder, 100X.VC
- Closing Remarks & Vote of Thanks** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade Services & WTO

This session focused on various aspects to be considered while raising money for a startup. The panelists were of the view that before asking for funds one needs to set right expectations keeping in mind overall business economy and commercial viability of the product. It was also viewed that the idea is to promote genuine talent and we need startups in areas other than technology, in core areas like water, sanitization, healthcare, agriculture etc.

“Go to investors with real products with traction, instead of just a deck.”

“Never give up, perseverance always pays.”

KEY DELIVERABLES:

- The best startup ideas tends to have three things in common: the idea is something
 - > the founders themselves want,
 - > the founders can themselves build, and
 - > Few others realize are worth doing.

- At times the solutions are good enough but problem itself is not that much demanding, hence identify the problem first & then find a solution & avoid risk of losing all your effort and resources into an insignificant problem.
- Startups shall try to raise optimum funds keeping in mind the least but fair dilution. Overfunding can be equally dangerous as underfunding, so determining exactly how much you will need and in what structure is crucial.
- A founder should look into the background of the investor, and only after doing the requisite homework he/she should approach the investor.
- Each fund house/Angel/VC follows their own Investment philosophy in terms of ticket size, sector, structure, IRR etc, It becomes essential to do “Match the following” and save time and efforts of founders by targeting the correct match.
- Raising money should be in your head not in your heart & the financial ratios like CAC:LTV play a major role while judging the assumptions and justifications backing the facts & figures in the projections.

8

TAX & REGULATORY BENEFITS FOR ‘ELIGIBLE STARTUPS’

11th Dec, 2020 from 4:30pm to 6.00pm



- Welcome Address & Opening Remarks** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade Services & WTO
- Session Speakers** : CA.T P Ostwal, Renowned International Tax advisor
 Dr. Girish Ahuja, Renowned Direct Tax Expert
- Closing Remarks** : CA. Pramod Kumar Boob, Member, Committee for Development of International Trade Services & WTO
- Vote of Thanks** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade Services & WTO

The session speakers discussed about what is an eligible startup. They also talked about the benefits which are available under various sections of Income Tax Act for the eligible startups and how startups can take benefit of these provisions in the most effective manner. They also discussed the opportunities of raising and investing funds outside India and other relevant provisions and regulations applicable in global arena.

“In older days, people used to take business decisions after consulting an astrologer but today you have to take decisions after consulting a Chartered Accountant having Expertise”

KEY DELIVERABLES:

- Application is to be made to Inter Ministerial Board formed under DPIIT in form II and not to the CBDT.
- Place of registration of startup doesn't make any

- difference for Income Tax provisions.
- Startup can invest in foreign countries through equity shares, preference shares, debentures and guarantees by following ODI norms.
- You have to plan out your structure in such a manner that you take tax advantage in most rational manner.
- When you do any international transaction, take advice of an expert at every stage as the violation involves huge costs and also can attract PMLA.
- The benefits available to a startup in income tax :
 - > Section no. 80IAC (Tax Holiday for 3 Years)
 - > Section no. 56(2)(vii)(b) (Issuing Shares at Premium)
 - > Section no. 79 (Carry forward of losses)
 - > Taxing ESOPs at a later date
- The difference in definition of subsidiary under various acts was also discussed.

9

SESSION

IPR & STARTUPS : THE KNOW HOW

12th Dec, 2020 from 3:00pm to 4.30pm



- Welcome Address** : CA. Hans Raj Chugh, Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks** : CA. Kemisha Soni, Member, Committee for Development of International Trade, Services & WTO
- Session Speakers** : Mr. Jatin Trivedi, IPR Advocate
Mr. Sarvdeep Sandhu, General Manager, Signicent
- Closing Remarks & Vote of Thanks** : CA. Dheeraj K Khandelwal, Vice Chairman, Committee for Development of International Trade, Services & WTO

This session focused on the importance of having an IPR these days and the aspects which need to be kept in mind while applying and maintaining an IPR. The session speakers discussed why an IPR should be valued and the techniques of valuing IPR. This session covered all aspects of IPR in relation to startups and the difference between patent, trademark, copyright and the types of licensing being done in the industry.

“Owning the Intellectual Property is like owning land: you need to keep investing it again and again to get a payoff; you can't simply sit back and collect rent”

KEY DELIVERABLES:

- IP created today can be valued highly tomorrow, if done correctly i.e monetary value can be reaped out of brand value.

- IP gives exclusive right to use & exploit and recognizes your right of ownership.
- Protected IP attracts investments, safeguards your moral rights & enhances the value of your business.
- DPIIT has also started IPR facilitation.
- Innovation & Intellect is driving force for any business.
- Up keeping & Maintenance of IP is equally necessary.
- ‘Trust factor is a Brand factor.’
- The sentimental value of consumer should be kept in mind while creating an IP.
- For valuing an IP Qualitative & Quantitative Analysis is done and there are various different parameters for both these analysis like legal strength of patent, cost, market etc.
- There are various types of licensing such as exclusive licensing, voluntary licensing, compulsory licensing, stick licensing etc.

10

SESSION

STARTUP VALUATION & EXIT STRATEGIES

12th Dec, 2020 from 4:30pm to 6.00pm



- Welcome Address** : CA Hans Raj Chugh, Chairman, Committee for Development of International Trade, Services & WTO
- Opening Remarks** : CA. Dheeraj K Khandelwal, Vice-Chairman, Committee for Development of International Trade, Services & WTO
- Moderator** : CA. Anshul Kumar, Founder Startup Bazaar
- Panelists** : Mr. Rishi Aswani, Managing Director AIF, Duff & Phelps
Mr. Sudipta Gautam, Managing Partner, Indian Angel Network
Mr. Amitabh Srivastava, Partner- July Ventures LLP
- Closing remarks and Vote of Thanks** : CA. Dheeraj K Khandelwal, Vice-Chairman, Committee for Development of International Trade, Services & WTO

This Session covered how to value the start-ups and discussed various factors to be considered before valuation. The panel briefed about how it is two way street for both Entrepreneur and the investor as the Entrepreneur should also be cautious before choosing the investor. They shared some tips to plan exit strategies in best possible manner and the right time to exit the start-ups.

“One value that is right value is a Myth, a market participant thinks in a range”

KEY DELIVERABLES:

- Valuation of a Startup is not an exact science. Different investors may see different value in a Startup. Valuation depends on various factors; few primary factors determining the valuation include:
 - > Potential of founders and management team,
 - > Current traction with customers,
 - > Potential of growth of the business,
 - > Market conditions and risks,
 - > Valuation of comparable companies.

- Valuation must be ultimately based on financial performance, either past performance or projected future performance.
- Generally, valuation revolves around two prime methodologies - (i) Discounted Cash Flows based on financial projections, (ii) Comparable industry multiple of Annual Recurring Revenue (ARR) or any other relevant financial parameter.
- Founders should not divest a significant share in equity at the early stages. The Founders team should try to retain a dominant share of around 70-75% in equity at an early stage of funding.
- Founders and management team must be mindful of providing a meaningful exit to early-stage investors, either through bringing in other investors or through strategic buyouts or by going for listing of the company.
- Investors must carefully keep reviewing the time for exit from a Startup. Also, the exit to such investors may not be available at the full market value, as a headroom of future earning needs to be provided to the incoming investors.



ICAI STARTUP MANTHAN 2.0 WEEK

Theme: Startup Trilogy - Compliance, Management & Fundraising

Date: 8th December 2020 to 12th December 2020

NO REGISTRATION FEES

15 CPE HOURS UNSTRUCTURE



DAY 1

8th December 2020
4.00pm to 7.00pm

Session I - Startups begin with Idea! Successful Startup begins with MVP!!

Session II - Government Ecosystem for startup

DAY 2

9th December 2020
3.00pm to 6.00pm

Session III - Leveraging Digital Marketing for Startups

Session IV - Can Unicorn Founders be made or are they born?

DAY 3

10th December 2020
3.00pm to 6.00pm

Session V - Internal Corporate Governance for Startups

Session VI - Internal Cash Management for Startups

DAY 4

11th December 2020
3.00pm to 6.00pm

Session VII - The Ultimate Guide to raise angel, VC and PE Capital for Startups

Session VIII - Tax and Regulatory Benefits for "Eligible Startups"

DAY 5

12th December 2020
3.00pm to 6.00pm

Session IX - IPR and Startups: The Know How

Session X - Startup Valuation and Exit Strategies



Web link: <https://live.ical.org/manthan/>

You may post your queries after click on the above link.

For further assistance write us at ceswto@ical.in

Organised by: The Committee for Development of International Trade, Services & WTO

STARTUP MANTHAN 2.0 WEEK

Startup Trilogy: Compliance, Management & Fundraising

8th DEC 2020

SESSION I
STARTUPS BEGIN WITH IDEA! SUCCESSFUL STARTUP BEGINS WITH MVP!!
4.00 PM - 7.00 PM

SESSION II
GOVERNMENT ECOSYSTEM FOR STARTUP
4.00 PM - 7.00 PM

SPEAKERS

MODERATOR

PANEL DISCUSSION

SESSION CHAIRMAN

STARTUP MANTHAN 2.0 WEEK

Startup Trilogy: Compliance, Management & Fundraising

9th DEC 2020

SESSION III
LEVERAGING DIGITAL MARKETING FOR STARTUPS
3.00 PM - 6.00 PM

SESSION IV
CAN UNICORN FOUNDERS BE MADE OR ARE THEY BORN?
3.00 PM - 6.00 PM

PANEL DISCUSSION

SESSION CHAIRMAN

STARTUP MANTHAN 2.0 WEEK

Startup Trilogy: Compliance, Management & Fundraising

10th DEC 2020

SESSION V
INTERNAL CORPORATE GOVERNANCE FOR STARTUPS
3.00 PM - 6.00 PM

SESSION VI
INTERNAL CASH MANAGEMENT FOR STARTUPS
3.00 PM - 6.00 PM

PANEL DISCUSSION

SESSION CHAIRMAN

STARTUP MANTHAN 2.0 WEEK

Startup Trilogy: Compliance, Management & Fundraising

11th DEC 2020

SESSION VII
THE ULTIMATE GUIDE TO RAISE ANGEL, VC AND PE CAPITAL FOR STARTUPS
3.00 PM - 6.00 PM

SESSION VIII
TAX AND REGULATORY BENEFITS FOR "ELIGIBLE STARTUPS"
4.30 PM - 6.00 PM

SPEAKERS

MODERATOR

PANEL DISCUSSION

SESSION CHAIRMAN

STARTUP MANTHAN 2.0 WEEK

Startup Trilogy: Compliance, Management & Fundraising

12th DEC 2020

SESSION IX
IPR AND STARTUPS: THE KNOW HOW
3.00 PM - 4.30 PM

SESSION X
STARTUP VALUATION AND EXIT STRATEGIES
4.30 PM - 6.00 PM

SPEAKERS

MODERATOR

PANEL DISCUSSION

SESSION CHAIRMAN



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Setup by an Act of Parliament)

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